

**Testimony before the Health and Human Services Committee
Representative Robin Weisz, Chairman
March 23, 2010**

Chairman Weisz, members of the Health and Human Services Committee, I am Maggie Anderson, Director of the Medical Services Division, for the Department of Human Services. I appear before you to provide an update on the Money Follows the Person Demonstration Grant and the Program of All-Inclusive Care for the Elderly (PACE).

Money Follows the Person

The North Dakota Department of Human Services was awarded an \$8.9 million Money Follows the Person (MFP) demonstration grant in 2007. The grant funding is assisting persons with a Developmental Disability, a physical disability, and older adults in transitioning from institutional settings into a community setting. The grant funding runs through the end of 2013. The grant activities are also intended to increase the use of Home Community Based Services (HCBS).

Nursing Facility Transitions: Fourteen individuals have transitioned from Nursing Facilities. Three of those individuals have completed their 365 days of MFP eligibility and are now receiving services through home and community based services. In addition to the fourteen already transitioned, there are an additional 10 individuals in the planning stages of transition. The primary barriers individuals transitioning from nursing facilities have encountered include:

- the lack of accessible and affordable housing units (waiting lists for Housing Vouchers range from 500 to 1000 in urban areas of the State),

- difficulty finding Qualified Service Providers in rural areas and oil boom areas of the State, and
- fear of how safe folks will be moving home.

Intermediate Care Facility Transitions: Nine individuals have been transitioned from Intermediate Care Facilities (ICFs). Two of the nine individuals were from the North Dakota Developmental Center and seven were from community-based ICFs. Three of the nine individuals have completed their 365 days of MFP eligibility and are now receiving services through the DD waiver. The North Dakota Developmental Center is currently working to transition three additional clients to a community setting the first week of April 2010.

The barriers that have been experienced transitioning individuals from ICFs include:

- difficulty finding accessible and affordable housing,
- lack of behavioral supports to meet the needs of more challenging individuals including access to local psychiatric services and hospitals in portions of the State, and
- rural providers are having some difficulty finding enough staff to provide services.

The MFP Grant funds are also used to assist each transitioning individual with up to \$3,000 for their transition into the community. The money is used for furniture, deposits, household supplies, and adaptive equipment. This transition money has been vital to the success of each of these transitions.

Originally, the transition goal for the MFP demonstration was 110 individuals. Recently, the Centers for Medicare and Medicaid Services

asked states to review their transition goals and submit adjustments. The adjusted goals for the North Dakota grant period are 48 individuals who reside in a nursing home and 33 individuals with a developmental disability for a total of 81 individuals to be transitioned by the end of the grant period.

Program of All-Inclusive Care of the Elderly (PACE)

The Program of All-Inclusive Care of the Elderly – “PACE” program is a capitated benefit program that provides a comprehensive service delivery system. This delivery system includes all needed preventive, primary, acute and long term care services so that individuals can continue to live at home or in the community. PACE is comprised of an interdisciplinary team consisting of a wide range of medical personnel and other professionals which assess participant’s needs, develop care plans and deliver all services in an integrated, total care package.

To be eligible for PACE, participants must be 55 years of age or older, meet the State's criteria for Nursing Home Level of Care, live in a PACE service area, and be able to reside safely at home with the services provided by PACE. PACE providers assume full financial risk for participants’ care without limits on amount, duration, or scope of services.

Under the oversight of Northland Healthcare Alliance, PACE began operations in the Bismarck/Dickinson locations in September 2008. To date, the Bismarck site is currently serving 29 participants and Dickinson is serving 19 participants. Since the program’s inception, PACE has had two participant deaths and six disenrollments for other reasons (all but

one was Medicare only participants and disenrolled due to financial reasons).

The PACE program was reviewed during a Technical Review site visit by the Centers of Medicare and Medicaid (CMS) and Department of Human Services personnel in September 2009. The program will be reviewed again in the fall of 2010. This audit will continue yearly for the first three years of the program.

There were no major deficiencies noted during the review. However there were minor deficiencies involving documentation. These deficiencies are noted along with a corrective action plan the PACE provider must comply with. This has also resulted in Quality Assurance Process Improvement plans to include chart document audits, care plan audits and other improvement programs.

I would be happy to address any questions that you may have.